

(b) The records of any importer who transfers or sells processed tobacco to a person who does not hold a TTB permit as an importer or manufacturer of tobacco products or of processed tobacco or as an export warehouse proprietor must include dated, commercial records that show the following information about each removal:

(1) The full name and address (including city and State) of the purchaser (or recipient, if there is no purchaser);

(2) The full name, address (including city and State), and driver's license number of the person picking up the processed tobacco for delivery;

(3) The license number of the vehicle in which the processed tobacco is picked up for delivery to purchaser or transferee;

(4) The street address of the destination of the processed tobacco;

(5) The quantity of processed tobacco in the shipment;

(6) A declaration by the purchaser (or recipient, if no purchaser) of the specific purpose of the purchase or receipt (for example, delivery to another, resale); and

(7) A declaration by the purchaser (or recipient, if no purchaser) of the name and address of his or her principal when acting as an agent.

(c) The entries in the records required under this section must be made for each day by the close of the business day following the day on which the transfer or sale occurs. Although no particular format for the records is prescribed, the required information must be readily ascertainable from the records kept.

(d) An importer operating under the transitional rule, set forth in §41.233, must also comply with the requirements of this section.

(26 U.S.C. 5741)

§41.262 Reports.

(a) *General.* Every importer of processed tobacco must prepare a monthly report on TTB F 5220.6 in accordance with the instructions for the form. The report must be prepared at the times specified in this section and must be prepared whether or not any operations or transactions occurred during the period covered by the report. The importer must retain a copy of each re-

port in accordance with the provisions of this subpart.

(b) *First report(s).* The first monthly report must be submitted by the 15th day of the month following the month in which the permit is issued. If the importer is operating as an importer of processed tobacco under the transitional rule in accordance with §41.233, the importer must submit the first report by the 15th day of the month following the month in which TTB provides written acknowledgement of the receipt of the application filed under §41.232.

(c) *Reports of no activity.* Reports with the notation "No Activity" must be made for those months in which no activity occurs.

(d) *Reports of sales and transfers.* An importer who transfers or sells processed tobacco to someone other than a person holding a TTB permit as an importer or manufacturer of processed tobacco or tobacco products or as an export warehouse proprietor must report such sale or transfer on TTB F 5250.2 by the close of the business day on the day following the transfer or sale, in accordance with the instructions on the form. An importer operating under the transitional rule set forth in §41.233 must comply with the requirements of this paragraph.

(e) *Concluding report.* When a transfer of ownership of the business of an importer of processed tobacco described in §41.252(b) occurs, or when a change in control of a corporation described in §41.252(d) occurs, a concluding report with the notation "Concluding Report" must be made for the month or partial month during which the transfer of ownership or change in control becomes effective. A concluding report must also be made for the month or partial month during which an importer concludes operations under the permit or authorization.

(26 U.S.C. 5722)

§41.263 Maintenance of records and reports.

All records and reports required by this subpart must be maintained separately, chronologically by transaction or reporting date, at the importer's principal place of business. The appropriate TTB officer may, pursuant to a

§ 41.271

written request, authorize files, or an individual file, to be maintained at another business location under the control of the importer, provided that the alternative location does not cause undue inconvenience to TTB when attempting to examine the files and does not delay the timely transmittal of any documents required to be submitted to TTB.

(26 U.S.C. 5741)

OTHER PROVISIONS APPLICABLE TO IMPORTERS OF PROCESSED TOBACCO

§ 41.271 Power of attorney.

If the application for a permit or authorization or any report or other document required to be executed under this subpart is to be signed by an individual (including one of the partners for a partnership or one of the members of an association) as an attorney in fact for any person, or if an individual is otherwise to officially represent such person, power of attorney on TTB F 5000.8 shall be furnished to the appropriate TTB officer. Such power of attorney is not required for persons whose authority is furnished with the corporate documents as required by § 41.234. Form 5000.8 does not have to be filed again with an appropriate TTB officer where such form has previously been submitted to TTB and is still in effect.

§ 41.272 Cross reference.

For other applicable provisions pertaining to forms prescribed, retention of records, interference with administration, alternate methods or procedures, emergency variations from requirements, penalties and forfeitures, and delegations of the Administrator, see subpart C of this part.

§ 41.273 Suspension and revocation of permit.

Where the appropriate TTB officer has reason to believe that an importer of processed tobacco has not in good faith complied with the provisions of 26 U.S.C. chapter 52, and regulations thereunder, or with any other provision of 26 U.S.C. with intent to defraud, or has violated any condition of his permit, or has failed to disclose any material information required or made

27 CFR Ch. I (4–1–11 Edition)

any material false statement in the application for the permit, or is, by reason of previous or current legal proceedings involving a felony violation of any other provision of Federal criminal law relating to tobacco products, processed tobacco, cigarette paper, or cigarette tubes, not likely to maintain operations in compliance with 26 U.S.C. chapter 52, or has been convicted of a felony violation of any provision of Federal or State criminal law relating to tobacco products, processed tobacco, cigarette paper, or cigarette tubes, the appropriate TTB officer shall issue an order, stating the facts charged, citing such person to show cause why his permit should not be suspended or revoked. Such citation shall be issued and opportunity for hearing afforded in accordance with part 71 of this chapter, which part is applicable to such proceedings. If, after hearing, the hearing examiner, or on appeal, the Administrator, finds that such person has not shown cause why his permit should not be suspended or revoked, such permit shall be suspended for such period as the appropriate TTB officer deems proper or shall be revoked.

PART 44—EXPORTATION OF TOBACCO PRODUCTS AND CIGARETTE PAPERS AND TUBES, WITHOUT PAYMENT OF TAX, OR WITH DRAWBACK OF TAX

Subpart A—Scope of Regulations

Sec.

- 44.1 Exportation of tobacco products, and cigarette papers and tubes, without payment of tax, or with drawback of tax.
- 44.2 Forms prescribed.
- 44.3 Delegations of the Administrator.

Subpart B—Definitions

- 44.11 Meaning of terms.

Subpart Ba—Special (Occupational) Taxes

- 44.31 Liability for special tax.
- 44.32 Rate of special tax.
- 44.33 Cross reference.
- 44.34–44.36 [Reserved]

Subpart C—General

- 44.61 Removals, withdrawals, and shipments authorized.